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HARRY LEE SHERIFF

GRETNA, LOUISIANA

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Legislative Auditor

JAN 2 1 1998

JEFFERSON PARISH TAX COLLECTOR

An Agency Fund of the
Jefferson Parish Sheriff
Gretna, Louisiana

ANNUAL FINANCIAL REPORT
For the Years Ended June 30, 1997 and 1996

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FINANCIAL SECTION

REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS
& PROFESSIONAL CORPORATION

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July 17, 1998, CMA

INDEPENDENT AUDITOR'S REPORT

The Honorable Harry Lee
Jefferson Parish Sheriff and
Ex-Officio Tax Collector
Gretna, Louisiana

We have audited the accompanying balance sheet and statements of changes in deposit balances due to taxing bodies and others of the Jefferson Parish Tax Collector, an Agency Fund of the Jefferson Parish Sheriff, Gretna, Louisiana, as of June 30, 1997, and 1996, and for the years then ended. These financial statements are the responsibility of the management of the Jefferson Parish Sheriff. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note A, the financial statements present only the Tax Collector Agency Fund and are not intended to present fairly the financial position and results of operations of the Jefferson Parish Sheriff and the results of operations and cash flows of its proprietary funds in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson Parish Tax Collector as of June 30, 1997, and 1996, and the changes in deposit balances due to taxing bodies and others for the years then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 23, 1997, on our consideration of the Tax Collector's internal control structure over financial

FINANCIAL STATEMENTS

**JEFFERSON PARISH TAX COLLECTOR AGENCY FUND
GRITNA, LOUISIANA**

**BALANCE SHEETS
June 30, 1997 and 1996**

	<u>TOTALS</u>	
	<u>JUNE 30, 1997</u>	<u>JUNE 30, 1996</u>
ASSETS		
Cash	\$ 10,000	\$ 20,000
State of Special Fund	26,000.00	26,000.00
Investments	600,000	600,000
Accrued interest receivable	1,000	0
TOTAL ASSETS	\$ 697,000	\$ 846,000
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Bonds payable	\$ 10,000	\$ 10,000
Accounts payable and others	26,000.00	26,000.00
TOTAL LIABILITIES	\$ 36,000	\$ 36,000
FUND BALANCE	0	0
TOTAL LIABILITIES AND FUND BALANCE	\$ 36,000	\$ 36,000

The accompanying notes are an integral part of this statement.

**JEFFERSON PARISH TAX COLLECTOR AGENCY FUND
GREENA, LOUISIANA**

**STATEMENTS OF CHANGES IN DEPOSIT BALANCES
DUE TO TAKING BONDS AND OTHERS
For the Years Ended June 30, 1997 and 1996**

	TOTAL	
	1997 BALANCE	1996 BALANCE
DEBIT TO TAKING BONDS AND OTHERS, BEGINNING OF PERIOD	0	0
DEBIT CREDITS:		
Admission fees - current	11,000.00	11,000.00
Admission fees - prior year	1,000.00	1,000.00
Admission fees - prepaid	0	0.00
Licenses fees - new permits	1,000.00	1,000.00
Fuel license storage	100,000.00	100,000.00
Incentives	10,000.00	10,000.00
Licenses - reinstatement fee	1,700.00	1,700.00
Licenses - expiring, funding fee	1,000.00	1,000.00
Fees, delinquency/penalties, fines	1,000.00	1,000.00
Funds not received	100.00	100.00
Fees for other fees, etc.	100.00	100.00
Interest on debt	1,000.00	1,000.00
Interest	1,000.00	1,000.00
Transfer from other funds	0	0.00
TOTAL DEBIT CREDITS	121,800.00	121,800.00
ENDING BALANCE	121,800.00	121,800.00
REVENUE CREDITS:		
TAXES:		
1. State of Louisiana - Sales Tax	700.00	700.00
1.1 State of Louisiana - Liquor	1,000.00	1,000.00
1.2 State of Louisiana - Amusement	100.00	100.00
1.3 State of Louisiana - Lottery (SLOT)	1,000.00	1,000.00
NON-TAX REVENUE:		
Interest	1,000.00	1,000.00
Fees received	100.00	100.00
Licenses	1,000.00	1,000.00
Concessions	100,000.00	100,000.00
Fees for Services	100.00	100.00
Hospital District No. 1	0	0
Hospital District No. 2	0	0
Public School System	1,000.00	1,000.00
Miscellaneous	100,000.00	100,000.00
LOCAL MUNICIPALITIES:		
City of Gretna	100,000.00	100,000.00
City of Metairie	100.00	100.00
City of Kenner	10,000.00	10,000.00
City of Thibodaux	1,000.00	1,000.00
City of New Orleans	100.00	100.00
Town of Chalmette	100.00	100.00
Town of Slidell	100.00	100.00
OTHER:		
New Orleans - Amusement Board	100.00	100.00
L.A.B. (Liquor) - Liquor Board	100.00	100.00
Independent Liquor Board	10,000.00	0
New Orleans - Louisiana Casino	1,000.00	1,000.00
Board of Independent Liquor Stores	100.00	100.00
State Probation/Parole	1,000.00	1,000.00
Bellefleur - Amusement	1,000.00	1,000.00
Bellefleur - Amusement	100.00	100.00
Bellefleur - Amusement	100.00	100.00
Bellefleur - Amusement	100.00	100.00
Bellefleur - Amusement	100.00	100.00
Miscellaneous	100.00	100.00
TOTAL REVENUE CREDITS	121,800.00	121,800.00
DEBIT TO TAKING BONDS AND OTHERS, END OF PERIOD	0	0

The accompanying notes are an integral part of this statement.

JEFFERSON PARISH TAX COLLECTOR

Creton, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1997 and 1996

NOTE A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Jefferson Parish Tax Collector have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

1. Reporting Entity

As provided by Article V, Section 27 of the Louisiana Constitution of 1874, the Jefferson Parish Sheriff is the Ex-Officio Tax Collector of the Parish and is responsible for the collection and distribution of ad valorem (property) taxes, sales and use taxes, parish occupational licenses, state revenue sharing funds, spontaneous licenses, fines, costs, and bond forfeitures imposed by the District Courts.

Louisiana Revised Statute 24:513 (B) requires the accounts of each tax collector to be audited annually. Accordingly, the accompanying statements reflect financial activity of the Sheriff related only to his responsibility as Ex-Officio Tax Collector. The amounts included in this report are reported as an Agency Fund within the Sheriff's annual general purpose financial statements.

2. Fund Accounting

The Tax Collector uses funds to report on its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

The Tax Collector's fund has been classified as fiduciary. Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

JEFFERSON PARISH TAX COLLECTOR
Covington, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 1997 and 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Accounting

The accounts of the Tax Collector are established to reflect the collections imposed by law, distributions pursuant to such law, and uncollected balances due to various taxing bodies and others. The accompanying financial statements have been prepared on the cash basis of accounting, with collections recognized when received and distributions reflected when paid.

4. Cash and Investments

Cash shown on the face of the Combined Balance Sheet includes amounts in demand deposits.

Investments are stated at cost or amortized cost.

Louisiana Revised Statutes (LSA-RS 13:2993) authorize the Tax Collector to invest in (1) direct obligations of the United States Treasury, the principal and interest of which are fully guaranteed by the federal government, (2) bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, (3) direct security repurchase agreements of any Federal bank carry only securities, (4) time certificates of deposits of state banks organized under the laws of Louisiana and national banks having their principal offices in the state of Louisiana, savings accounts or shares of savings and loan associations, (5) in mutual or trust fund institutions, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. government or its agencies, or (6) government investment contracts issued by a bank, financial institution, insurance company, or other entity having one of the two highest short-term rating categories of either Standard & Poor's Corporation or Moody's Investors Service, provided that no such investment may be made except in connection with a financing program approved by the State Bond Commission.

JEFFERSON PARISH TAX COLLECTOR

Gretna, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997 and 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Pooled Assets

The Tax Collector follows the practice of pooling the cash and investments of all funds controlled by the Bureau of Revenue and Taxation Department. Total cash and investments of the pool are reported in the various funds as "Share of Bureau Pool". Funds with a negative share report the advance as an interfund payable and the Property Tax Fund, which has been determined to be the receivable fund by management, reports an off-setting interfund receivable. Accumulated interest and fiscal changes which have not yet been allocated to the various funds are acted against the pool's cash and investments to arrive at "net pooled assets".

NOTE B - DEPOSITS AND INVESTMENTS

For the fiscal year ended June 30, 1997, the carrying amount of the Tax Collector's deposits was \$24,861,415 (including \$24,862,158 in the Bureau Pool) and the bank balance was \$25,305,450. For June 30, 1996, the carrying amount of the deposits was \$27,454,794 (including \$27,528,098 in the Bureau Pool) and the bank balance was \$27,877,074. Data concerning the Tax Collector's deposits covered by Federal Depository Insurance or collateral and the amount uninsured and uncollateralized for each fiscal year is not available because such determinations are made on the total deposits of the Jefferson Parish Sheriff (the oversight unit) and not on an individual fund basis. Information on the total deposits of the Jefferson Parish Sheriff is available in the Sheriff's general purpose financial statements for each fiscal year.

The Tax Collector's investments at year end are categorized below to give an indication of the level of risk assumed at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Sheriff or its agent in the Sheriff's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Sheriff's name.

The Tax Collector's investments at June 30, 1997 consisted of \$4,548,355 (including \$3,893,851 in the Bureau Pool) in U.S. Instrumentalities. The market value of these investments at June 30, 1997 was \$4,640,719. These investments are held by the Tax Collector's agent in the Tax Collector's name, therefore, they are classified as category 1 for GASB statement No. 3.

JEFFERSON PARISH TAX COLLECTOR
Gretna, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 1997 and 1996

NOTE B - DEPOSITS AND INVESTMENTS (CONTINUED)

purposes. At June 30, 1996, the invested balances in U.S. Instrumentalities was \$3,597,634 (including \$3,006,712 in the Bureau Pool). The market value of these investments at June 30, 1996 was \$3,597,632. These investments were categorized as category 1.

NOTE C - POOLED ASSETS

A reconciliation of pooled assets held in the Bureau Pool at June 30, 1997 and 1996 is presented below:

Bureau Pool	June 30, 1997	June 30, 1996
Pooled Assets		
Cash	\$ 24,902,134	\$ 27,529,208
Investments	3,697,281	3,688,743
Accumulated depreciation	85,992	187
Less: accumulated depreciation and fund charges	(81,997)	(82,189)
Net Pooled Assets	<u>\$ 28,592,326</u>	<u>\$ 31,135,689</u>

Agency Pool	June 30, 1997	June 30, 1996
Tax Collectors		
Miscellaneous Fees	\$ 21,336	\$ 26,833
Criminal Cash Bonds	771,947	858,588
Fees	683,883	473,283
Historical and Filing	369,705	278,488
Property Tax	3,141,888	3,883,877
Sales Tax	23,449,686	21,834,762
Total Equity in Pool	<u>\$ 28,638,345</u>	<u>\$ 38,656,731</u>

JEFFERSON PARISH TAX COLLECTOR
Gretna, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 1997 and 1996

NOTE D - TAXES PAID UNDER PROTEST

The unreported balances due to taxing bodies and others at June 30, 1997 and 1996 include \$884,368 of taxes paid under protest. For June 30, 1997 and 1996, this amount represents protested sales taxes of \$253,257 and protested ad valorem taxes of \$631,111. If these taxes are refunded to the taxpayer, Louisiana Revised Statutes (LSA-RS 47:2110) requires the Tax Collector to pay interest at 2 percent per annum on the amounts held. These funds are held in the Tax Collector Agency Fund pending resolution of the protests.

NOTE E - STATE REVENUE SHARING

State revenue sharing funds provided by Article 7, § 26 of the State Constitution totaling \$9,445,248 and \$9,698,795 were received for each of the fiscal years and distributed by the Tax Collector Agency Fund as follows:

Distributed to	June 30, 1997	June 30, 1996
State:		
Treasury (S.B.28)	2	489,606
Other Funds:		
Ambulance District No. 1	5,888	5,811
Cancer	112,911	186,690
Council	4,488,713	4,478,343
Public Safety System	1,863,664	1,899,343
North	1,799,713	1,776,699
Water Board No. 1	674,814	689,820
Other:		
New Orleans Lower Ninth	258,809	327,481
Various non-profits/other	778,249	968,128
Total	<u>2</u> 10,425,248	<u>1</u> 10,498,795

JEFFERSON PARISH TAX COLLECTOR

Covington, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 1997 and 1996

NOTE F - MOTOR VEHICLE TAXES

Beginning in April 1995, the State began distributing the motor vehicle taxes collected within the Parish directly to the Sheriff. The Sheriff then distributes the money to the appropriate taxing district through the normal monthly sales tax distribution. For the years ended June 30, 1997 and 1996, the amounts received directly from the State amounted to \$12,981,279 and \$40,160,212, respectively.

SUPPLEMENTAL INFORMATION

JEFFERSON PARISH TAX COLLECTOR AGENCY FUND
 METINA, LOUISIANA

COMBINING BALANCE SHEET

June 30, 1997 and 1996

	NEW ORLEANS PARISH	JEFFERSON PARISH	JEFFERSON PARISH
ASSETS			
Cash	\$ 0	\$ 0	\$ 0
Money Market Fund	31,000	70,791	0
Investments	0	0	40,000
Accrued Interest receivable	0	0	0
TOTAL ASSETS	\$ 31,000	\$ 70,791	\$ 40,000
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Bonds payable	\$ 0	\$ 0	\$ 0
Due to other funds/agencies	31,000	70,791	40,000
TOTAL LIABILITIES	31,000	70,791	40,000
FUND BALANCE	0	0	0
TOTAL LIABILITIES AND FUND BALANCE	\$ 31,000	\$ 70,791	\$ 40,000

LINE	PERSONAL		PROPERTY		SALES		TOTALS	
	ADDITIONAL	TAX	TAX	TAX	TAX	2017 \$,000	2018 \$,000	
3	0	0	0	0	0	0	0	
	40,000	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
4	<u>40,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
3	0	0	0	0	0	0	0	
	40,000	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
4	<u>40,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	

**JEFFERSON PARISH TAX COLLECTOR AGENCY FUND
GRETNA, LOUISIANA**

**COMBINING STATEMENT OF CHANGES IN DEPOSIT BALANCES
DUE TO TAKING BODIES AND OTHERS
For the Years Ended June 30, 1997 and 1998**

	MISCELLANEOUS 1998	FINANCIAL 1998 BODIES	OTHER BODIES 1998
NET DEPOSIT BODIES AND OTHERS, BEGINNING OF YEAR	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CHANGES DURING YEAR:			
All interest items - earned	0	0	0
All interest items - prior years	0	0	0
All interest items - principal	0	0	0
All interest items - miscellaneous	0	0	0
State revenue sharing	0	0	0
Refundations	0	0	0
License - occupational tax	0	0	0
License - mapping, zoning, etc.	0	0	0
Fees, discounts and miscellaneous	0	0	0
Checks and bank fees	0	40,000	0
Interest on bonds, fees, etc.	10,000	0	0
Interest on deposits	5,000	1,000	0
Interest	0	0	0
Payments from other funds	0	0	0
TOTAL COLLECT 1998	<u>15,000</u>	<u>41,000</u>	<u>0</u>
DEPOSIT BODIES:			
STATE:			
LA Dept of Wildlife and Fisheries	0	0	0
LA Dept of Public Safety	0	0	0
LA Dept of the Treasury (S&L)	0	0	0
LA Dept of the Treasury (S&L)	0	0	0
MUNICIPAL BODIES:			
Gretna	0	0	0
Cloutier town	0	40	0
Thibodaux	0	0	0
Lincoln	0	1,000	0
Gretna Cemetery	0	0	0
Wagner School No. 1	0	0	0
Wagner School No. 2	0	0	0
Public School System	0	0	0
Board	40,000	1,000	0
LOCAL MUNICIPAL BODIES:			
City of Gretna	0	0	0
City of Gretna	0	0	0
City of Gretna	0	0	0
City of Gretna	0	0	0
City of Gretna	0	0	0
Wagner School System	0	0	0
Wagner School System	0	0	0
Wagner School System	0	0	0
OTHER:			
Five Minutes Cemetery Board	0	0	0
L.L.L.-Colonial Marine Society	0	40	0
Wagner Cemetery Board (S&L)	0	0	0
Wagner Cemetery Board (S&L)	0	0	0
Grand Old Independent Lumbermen	0	0	0
Wagner Cemetery	0	0	0
Wagner Cemetery	0	40,000	0
Wagner Cemetery	0	0	0
Wagner Cemetery	0	0	0
Wagner Cemetery	0	0	0
Wagner Cemetery	0	0	0
TOTAL DEPOSIT BODIES	<u>40,000</u>	<u>41,040</u>	<u>0</u>
NET DEPOSIT BODIES AND OTHERS, END OF YEAR	<u>40,000</u>	<u>41,040</u>	<u>0</u>

COMPLIANCE SECTION

REBOWE & COMPANY

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July 11, 1997, CPA

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Harry Lee
Jefferson Parish Sheriff and
Ex-Officio Tax Collector
Gretna, Louisiana

We have audited the financial statements of the Jefferson Parish Tax Collector as of and for the year ended June 30, 1997, and have issued our report thereon dated October 22, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Jefferson Parish Tax Collector's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Jefferson Parish Tax Collector's internal controls over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal controls over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the

design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal controls over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Sheriff, management, and federal auditing agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Roberts & Company

Metairie, Louisiana

October 22, 1997